GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1223
ANSWERED ON:02.03.2001
SALES TAX ON PETROLEUM PRODUCTS
PAWAN KUMAR BANSAL

Will the Minister of FINANCE be pleased to state:

(a) whether the levy of uniform sales tax on petroleum products has led to fixation ofmuch higher sale price of the same in the Union Territory of Chandigarh as compared to its satellite towns in Punjab and Haryana; and

(b) if so, the steps proposed to bring the sale price of all the petroleum products in Union Territory of Chandigarh at par with those prevailing in Punjab and Haryana?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (GINGEE N. RAMACHANDRAN)

(a) The sale price of petro is slightly higher in the Union Territory of Chandigarh compared to its satellite towns in Punjab and Haryana as there is Central Sales-Tax (CST) liability for Chandigarh, but not for Haryana or Punjab.

(b) The Union Territory administration of Chandigarh has intimated that a site has been allotted to the Bharat Petroleum Limited in Chandigarh for setting up a depot. This will enable Chandigarh toget supplies locally and there will be no Central Sales Tax (CST) liability.